2006 Annual Report

OSD

Organization & Staff Development

consulting and training that make a difference

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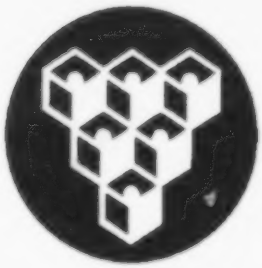
2006 Annual Report



Organization and Staff Development
Manitoba Civil Service Commission

consulting & training that make a difference

2007-01546/

Minister responsible
for The Civil Service Act

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

His Honour
The Honourable John Harvard, P.C., O.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg, Manitoba
R3C 0V8

May It Please Your Honour

I am pleased to present the Twelfth Annual Report of the Organization and Staff Development Agency for the fiscal year ended March 31, 2006.

Respectfully submitted,

Greg Selinger
Minister Responsible for the Organization
and Staff Development Agency
Civil Service Commission

Manitoba

Civil Service Commission
Office of the Commissioner

935 – 155 Carlton Street
Winnipeg MB R3C 3H8
Fax: (204) 945-1486

Honourable Greg Selinger
Minister Responsible for the Organization
and Staff Development Agency
Civil Service Commission
103 Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Mr. Selinger:

I am pleased to submit, for your consideration, the 2006 Annual Report of Organization and Staff Development (OSD) as a Special Operating Agency.

The report covers the period April 1, 2005 to March 31, 2006. During this period, OSD continued to strive to fulfill its obligations as a self-sustaining operation and to achieve its service and financial objectives.

Respectfully submitted,

Debra Woodgate

Debra Woodgate
Civil Service Commissioner
Chair of the Organization
and Staff Development Agency
Advisory Board

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OSD Advisory Board as at March 31, 2006

Chair

Debra Woodgate
Commissioner
Manitoba Civil Service Commission

Agency Management

Edna Dickson
Director
Organization and Staff Development
Manitoba Civil Service Commission

Members

Gisela Rempel
Assistant Deputy Minister
Services for Persons with Disabilities Division
Manitoba Family Services and Housing

John Hosang
Assistant Deputy Minister
Engineering & Operations Division
Department of Transportation & Government Services

Marcia Thomson
Assistant Deputy Minister
Healthy Living & Health Programs
Manitoba Health

Rose Bear
Human Resource Consultant
Human Resources Services
Department of Justice

Vince Warden
Vice President & Chief Financial Officer
Finance & Administration
Manitoba Hydro

Guy Gordon
A/Assistant Deputy Minister
Service Manitoba

Profile

Purpose

In 1970, the Manitoba Civil Service Commission created a branch to provide training workshops and advisory services that supported what the government wanted to achieve in the area of people and organization development.

In 1994, Organization and Staff Development (OSD) became the third Special Operating Agency of the Manitoba Government. The Special Operating Agency framework emphasizes accountability and end results. This emphasis is consistent with the OSD tradition of putting the service user first and always striving to make a difference.

Organization and Staff Development (OSD) is a program area of the Civil Service Commission. The agency provides consulting and training services. These services:

1. support implementation of government human resource policies and priorities, and

2. assist employees and their managers to solve organization problems, to improve service effectiveness, and to help realize the human potential that exists within organizations.

OSD services are available to central government, to individual departments and to other organizations outside the Manitoba Civil Service.

Commitment

OSD is committed to representing three principles in whatever the agency does.

1. The needs of those who use our service are our concern.

This means we act with the courage necessary to understand our service users and to provide them with real help for real problems.

2. We treat others as friends, no differently than we treat ourselves.

This means we strive to make every contact an experience that benefits our service users, makes them better off for knowing us and leaves them a little wiser.

3. Our work is important work.

This means we serve to the best of our ability. We respect the privilege of helping Manitobans and those who represent them.

Director's Comment

In this report, OSD is introducing new performance measures as approved in the 2004 / 2005 business plan.

The new performance measures will report more accurately on the success of our Guide offerings. When particular workshops are overbooked and/ or wait lists established, these workshops are added to our scheduled workshops as published yearly in our Guide to Training & Consulting. In the past, these added workshops have been included in the Customized / Projects table of our annual reports. They will now be included in the Performance Framework section, Table 1, and reflect a more accurate measure of the success of our Guide offerings.

OSD will also be monitoring the increase in on-line registrations as we move towards an electronic based registration system.

OSD exceeded its target for net earnings. Revenue is up 6%. Net earnings are up 20% over FY 2005. Revenue from Government Departments is up $93.9 or 10%

OSD has delivered fewer guide workshops but participant numbers are up 18% as well as the average per class which has increased from 14 to 17.

Customized workshops are down but the average per class remains constant at 13.

We have been closely monitoring our rural training to reflect our efforts to increase rural training opportunities. Rural presence is up in both guide and customized workshops. Guide deliveries are up 80% while customized training is up 25%.

Progress towards Goals and Objectives

OSD continues to fulfill its Business Plan commitments. In 2005/06 OSD continued to solidify the position of the agency as a relevant and valued supplier of consulting and training services. OSD achieved its goals and objectives and performance targets.

From 2005 /06 Business Plan:

The goal for 2005/06 is to better coordinate and facilitate more cost-effective delivery of training and development in support of Government human resource priorities, particularly those associated with implementing the Civil Service Renewal Strategy. We will continue to solidify the position of the agency as a primary supplier of consulting and training services. The objectives for 2005/06 are:

1. To re-establish a seconded trainer program within the government to prepare and use expert staff from department in the delivery of training related to corporate policy and other common needs and to develop complete training packages for this training.

OSD offered Train the Trainer workshops to the general civil service during the year. In addition, the CSC sponsored this workshop specifically for the human resource community. This intent was to develop a cadre of potential trainers within the community to enhance the ability of departments to deliver in-house training. Approximately 20 individuals attended.

2. To pursue opportunities to apply the Civil Service Commission model for investing in corporate policy support to other areas within government.

OSD continues to pursue this approach. OSD has been directed to identify a core curriculum of training and recommend delivery strategies for implementation in 2006/07. This curriculum and implementation strategy will be vetted through the Deputy Minister Advisory Committee for approval. This curriculum will recommend essential training for every civil servant .

3. To proactively partner with clients to deliver training services to rural Manitoba. OSD will conduct needs assessments, poll stakeholders and co-ordinate workshops specifically in the Westman Region in 2005/2006 and in the Northern Region in 2005/2006.

OSD delivered 50 customized workshops in rural areas, an increase of 10 workshops from the previous fiscal year. OSD delivered 9 Guide workshops an increase of 4 over 2005. Guide deliveries are up 80% while customized workshops are up by 25%.

4. To partner with the Renewal committee to communicate, provide coordination support and training resources for the learning plan initiative of the Renewal Initiative of the Civil Service Commission.

The implementation of the Learning Policy and Learning Plan was lead by the Leadership and Strategies branch of the Commission. OSD incorporated this policy into the leadership workshops and is supporting the Commission in implementing the policy across government.

5. Continue to develop further partnerships with post-secondary institutions within the province for accreditation for OSD workshops and communicate recognized service to the general civil service.

This objective is ongoing from previous years.

Performance Framework - Part 1

Table 1 – General Training

General training are those workshops scheduled in the OSD *Guide* to training & consulting services

"Workshops added" are those added in response to high demand of any regularly scheduled workshops

	Workshops	*Rural Workshops*	*Workshops Added*	*Total*	*Participants*	*Average per class*
2005/06	108	9	24	141	2432	17
2004/05	124	5	16	145	2057	14

Table 2 – Customized Training

Customized Training is consulting, training or administrative services provided to a specific service user and their organization.

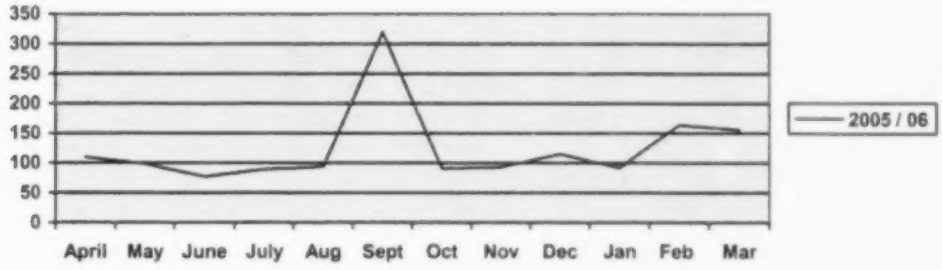
	Winnipeg Workshops	*Rural Workshops*	*Total*	*Participants*	*Average per class*
2005/06	264	50	314	4038	13
2004/05	296	40	336	4522	13

General Training and Customized Training Comparison Chart

Performance Framework - Part 2

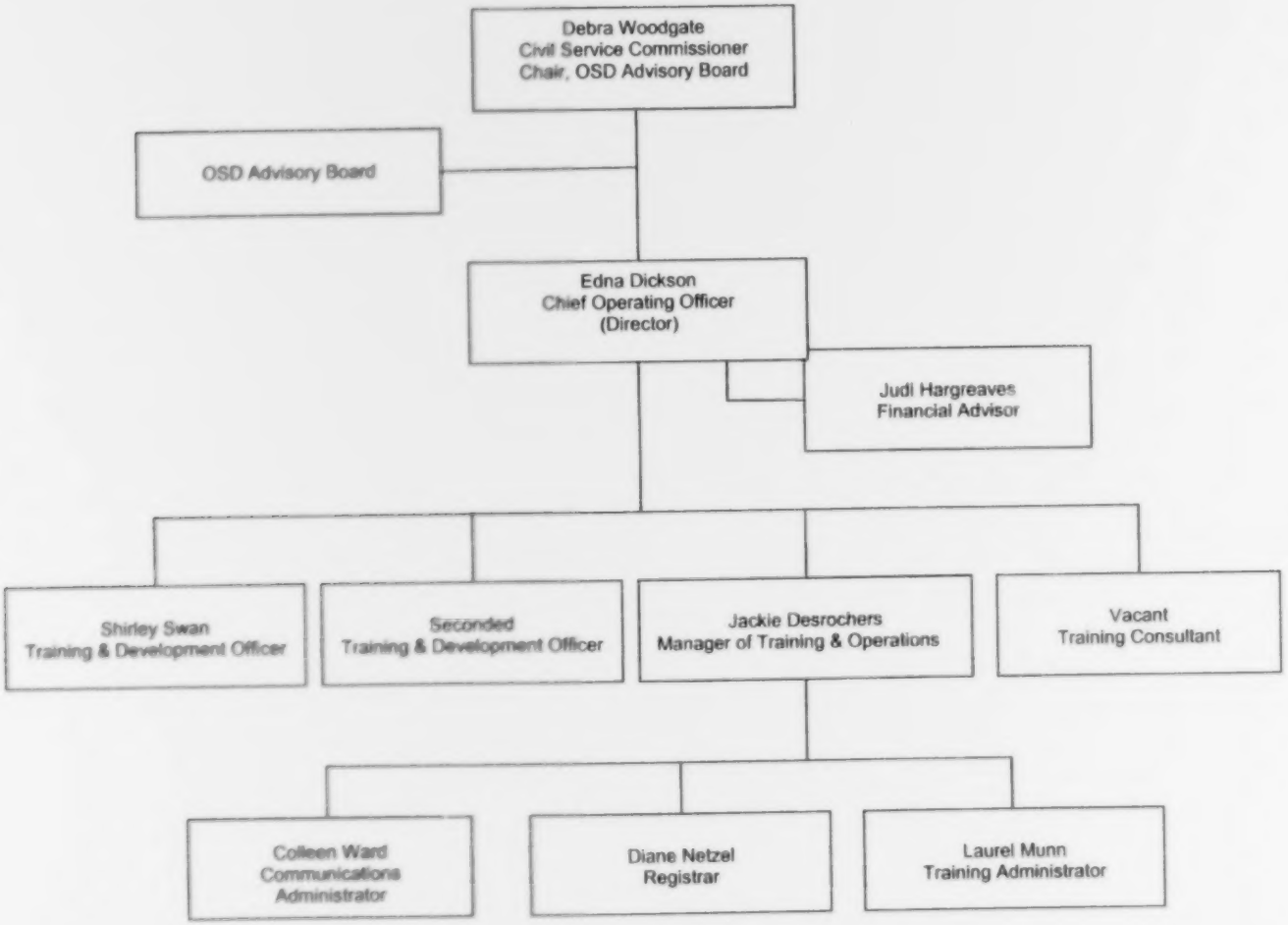
As at March 31/06	General Training (# of workshops delivered)		Customized (# of workshops / projects delivered)	
	2005/06	2004/05	2005/06	2004/05
Corporate (CSC sponsored)	28	31	87	84
Departmental / Public Sector	113	114	227	252
Total	**141**	**145**	**314**	**336**

On-Line Registrations



Apr/05	May/05	June/05	uly/05	Aug/05	Sept/05	Oct/05	Nov/05	Dec/05	Jan/06	Feb/06	Mar/06
110	99	77	89	94	320	91	93	115	92	164	156

OSD Reporting Relationships



ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY

Financial Statements
For the year ended March 31, 2006

ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY

Financial Statements

For the year ended March 31, 2006

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Management's Responsibility for Financial Reporting

The accompanying financial statements are the responsibility of the management of **Organization and Staff Development** and have been prepared in accordance with Canadian generally accepted accounting principles. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available to May 17, 2006.

Management maintains internal controls to properly safeguard the assets and to provide reasonable assurance that the books and records from which the financial statements are derived accurately reflect all transactions, and that established policies and procedures are followed.

The responsibility of the Auditor General is to express an independent opinion on whether the financial statements of Organization and Staff Development are fairly represented in accordance with Canadian generally accepted accounting principles. The Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

On behalf of Management,

Organization and Staff Development

Edna Dickson, Director
May 17, 2006

Office of the Auditor General

500 - 330 Portage Avenue
Winnipeg, Manitoba
CANADA R3C 0C4

AUDITORS' REPORT

To the Legislative Assembly of Manitoba
To Organization and Staff Development
To the Special Operating Agencies Financing Authority

We have audited the balance sheet of Organization and Staff Development, an Agency of The Special Operating Agencies Financing Authority, as at March 31, 2006 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Agency management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2006 and results of its operations and changes in its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Office of the Auditor General

Office of the Auditor General

Winnipeg, Manitoba
May 17, 2006

ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY

Balance Sheet

March 31	2006	2005
	(000's)	
Assets		
Current Assets		
Cash and bank (Note 3)	$ 283	$ 288
Short-term investments - Province of Manitoba	350	377
Accounts receivable	69	79
Inventories	5	5
Prepaid expenses	-	2
	707	751
Receivable from Province of Manitoba (Note 4)	39	39
Capital assets (Note 5)	9	8
	$ 755	$ 798
Liabilities and Equity		
Current Liabilities		
Accounts payable and accrued liabilities	$ 219	$ 369
Severance liability (Note 6)	75	68
	294	437
Equity		
Retained earnings	461	361
	$ 755	$ 798

The accompanying notes are an integral part of these financial statements.

ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY
Statement of Operations and Retained Earnings

For the year ended March 31

(000's)

	2006 Actual	2005 Actual	Variance	Budget	Variance
Revenue					
Training and consulting	$ 1,553	$ 1,474	$ 79	$ 1,270	$ 283
Interest	12	8	4	8	4
	1,565	1,482	83	1,278	287
Expenses					
Professional fees	543	543	-	420	123
Salaries and benefits	463	471	(8)	471	(8)
Books and course materials	122	95	27	90	32
Accommodations	87	79	8	49	38
Food and beverages	89	67	22	64	25
Travel	34	21	13	15	19
Desk top management	24	28	(4)	30	(6)
Communications	17	26	(9)	21	(4)
Occupancy costs	17	16	1	17	-
Office supplies	24	15	9	22	2
Professional development	8	12	(4)	13	(5)
Marketing	15	10	5	28	(13)
Rentals	11	8	3	12	(1)
Other	3	5	(2)	6	(3)
Amortization	2	3	(1)	2	-
Bad debt	-	-	-	1	(1)
Great Plains Support	6	-	6	-	6
	1,465	1,399	66	1,261	204
Net income for the year	100	83	17	17	83
Retained earnings beginning of year	361	278			
Retained earnings, end of year	$ 461	$ 361			

The accompanying notes are an integral part of these financial statements.

ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY
Statement of Cash Flows

For the year ended March 31	2006	2005
		(000's)
Cash Flows from Operating Activities		
Net income for the year	$ 100	$ 83
Adjustment for		
Amortization of capital assets	2	3
	102	86
Changes in non-cash working capital balances		
Accounts receivable	10	(19)
Inventories	-	6
Prepaid expenses	2	(2)
Accounts payable and accrued liabilities	(150)	167
Severance liability	7	6
	(131)	158
	(29)	244
Cash Flows from Investing Activities		
Purchase of capital assets	(3)	-
Increase (decrease) in cash and cash equivalents	(32)	244
Cash and cash equivalents, beginning of year	665	421
Cash and cash equivalents, end of year	$ 633	$ 665
Represented by		
Cash and bank	$ 283	$ 288
Short-term investments	350	377
	$ 633	$ 665

The accompanying notes are an integral part of these financial statements.

ORGANIZATION AND STAFF DEVELOPMENT - AN AGENCY OF THE SPECIAL OPERATING AGENCIES FINANCING AUTHORITY
Notes to Financial Statements

March 31, 2006 (000's)

1. Nature of Organization

Effective April 1, 1994, Organization and Staff Development of the Civil Service Commission was designated by regulation as a Special Operating Agency under The Special Operating Agencies Financing Authority Act and operates under a charter approved by the Lieutenant Governor in Council. Its mandate is to provide consulting and training services to support the implementation of the government's human resource policies and priorities.

The Agency is financed through the Special Operating Agencies Financing Authority. The Financing Authority has the mandate to hold and acquire assets required for and resulting from Agency operations. It finances the Agency through repayable loans and working capital advances. This financial framework enables the Agency to operate in a business-like manner according to public policy expectations.

A Management Agreement between the Financing Authority and the Minister responsible for the Civil Service Commission assigns responsibility to the Agency to manage and account for the Agency related assets and operations on behalf of the Financing Authority.

Organization and Staff Development continues to be part of the Civil Service Commission under the general direction of the Commissioner and ultimately the policy direction of the Minister responsible for The Civil Service Act.

Organization and Staff Development remains bound by relevant legislation and regulations. It is also bound by administrative policy except where specific exemptions have been provided for in its charter in order to meet business objectives.

Organization and Staff Development is economically dependant on the Province of Manitoba. Currently, the Agency derives most of its revenue from the Province of Manitoba and all of its capital financing requirements through the Financing Authority.

2. Significant Accounting Policies

Basis of Reporting

The financial statements of the Agency are presented in accordance with Canadian generally accepted accounting principles.

Revenue Recognition

Training and consulting revenue is recorded on an accrual basis by specific project.

Use of Estimates

In preparing the Agency's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Financial Instruments

The Agency's financial instruments consist of cash, accounts receivable, investments and accounts payable. It is management's opinion that the Agency is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

Inventories

Inventories are valued at the lower of cost and net realizable value.

Capital Assets

Rates of amortization applied to write off the cost of capital assets over their estimated life are as follows:

Office equipment	20% declining balance
Furniture and fixtures	20% declining balance
Computer equipment	20% straight line

In the year of acquisition, amortization is calculated at one half of the rate indicated above.

3. Working Capital

The Agency has an authorized line of working capital advances of $120 which was unused and available at March 31, 2006.

4. Receivable from Province of Manitoba

The Province of Manitoba has accepted responsibility for the severance benefits accumulated by the Agency's employees to March 31, 1998. Accordingly, the opening severance pay liability balance as at April 1, 1998 calculated at $33 was completely offset by a receivable from the Province. The receivable from the Province was restated to $39 as a result of the actuarial valuation completed as at March 31, 2000.

The receivable from the Province, or portion thereof, for Organization and Staff Development, will be collected in the event there is a cash shortfall. However, this is only likely to happen on the dissolution of the Agency.

5. Capital Assets

	2006			2005		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Office equipment	$ 6	$ 2	$ 4	$ 5	$ 2	$ 3
Furniture and fixtures	10	9	1	10	8	2
Computer equipment	14	10	4	12	9	3
	$ 30	$ 21	$ 9	$ 27	$ 19	$ 8

6. Severance Liability

Effective April 1, 1998, the Agency began recording accumulated severance pay benefits for its employees. The amount of severance pay obligations is based on actuarial calculations. The periodic actuarial valuations of these liabilities may determine that adjustments are needed to the actuarial calculations when actual experience is different from that expected and/or because of changes in actuarial assumptions used. The resulting actuarial gains or losses are amortized over the expected average remaining service life of the related employee group.

An actuarial report was completed for the severance pay liability as of March 31, 2005. The report provides a formula to update the liability on an annual basis. The Organization and Staff Development's actuarially determined net liability for accounting purposes as at March 31, 2006 was $75 (2005 - $68). Commencing in the 2006 fiscal year the actuarial gain of $15 is being amortized over the 15 year expected average remaining service life of the employee group.

7. Related Party Transactions

The Agency is related in terms of common ownership to all Province of Manitoba created Departments, Agencies and Crown Corporations. The Agency enters into transactions with these entities in the normal course of business.

8. Pension Benefits

Employees of Organization and Staff Development are eligible for pension benefits in accordance with the provisions of the Civil Service Superannuation Act (CSSA), administered by the Civil Service Superannuation Board. The CSSA established a defined benefit plan to provide benefits to employees of the Manitoba Civil Service and to participating agencies of the Government, including Organization and Staff Development, through the Civil Service Superannuation Fund.

Effective March 31, 2001, pursuant to an agreement with the Province of Manitoba, the Agency transferred to the Province the pension liability for its employees. Commencing April 1, 2001, the Agency was required to pay to the Province an amount equal to its employees' current pension contributions. The amount paid for 2006 was $19 (2005 - $20). Under this agreement, the Agency has no further pension liability.

9. Public Sector Compensation

Pursuant to the disclosure required by The Public Sector Compensation Disclosure Act, no remuneration was paid to Advisory Board members. During the fiscal year ended March 31, 2006, the following employees received compensation of $50,000 or more.

	2006	2005
E. Dickson	$ 78	$ 70
J. Desrochers	70	66
S. Swan	57	52
K. Meekler	-	58

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Manitoba Civil Service Commission